



General Assembly

February Session, 2004

Raised Bill No. 414

LCO No. 594

00594_____HS_

Referred to Committee on Human Services

Introduced by:
(HS)

AN ACT CONCERNING TECHNICAL REVISIONS TO THE HUMAN SERVICES STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-295 of the general statutes, as amended by
2 section 1 of public act 03-219, is repealed and the following is
3 substituted in lieu thereof (*Effective October 1, 2004*):

4 (a) All residents of this state, regardless of age, who, because of
5 blindness or impaired vision, require specialized vision-related
6 educational programs, goods and services, on the signed
7 recommendation of the director of the Board of Education and Services
8 for the Blind, shall be entitled to receive such instruction, programs,
9 goods and services [and] for such length of time as is deemed
10 expedient by said director. Upon the petition of any parent or
11 guardian of a blind child or a child with impaired vision, a local board
12 of education may provide such instruction within the town or it may
13 provide for such instruction by agreement with other towns as
14 provided in subsection (d) of section 10-76d. All educational privileges
15 prescribed in part V of chapter 164, not inconsistent with the
16 provisions of this chapter, shall apply to the pupils covered by this

17 subsection.

18 (b) The Board of Education and Services for the Blind shall expend
19 funds for the services made available pursuant to subsection (a) of this
20 section from the educational aid for blind and visually handicapped
21 children account in accordance with the provisions of this subsection.
22 The expense of such services shall be paid by the state in an amount
23 not to exceed six thousand four hundred dollars in any one fiscal year
24 for each child who is blind or visually impaired. The Board of
25 Education and Services for the Blind may [promulgate] adopt such
26 regulations as it deems necessary to carry out the purpose and intent
27 of this subsection.

28 (1) The Board of Education and Services for the Blind shall provide,
29 upon written request from any interested school district, the services of
30 teachers of the visually impaired, based on the levels established in the
31 individualized education or service plan. The agency shall also make
32 available its resources, including, but not limited to, the Braille and
33 large print library, to all teachers of public and nonpublic school
34 children. The agency may also provide vision-related professional
35 development and training to all school districts. The agency shall
36 utilize [general-funded] education consultant positions authorized as
37 of July 1, 2001, funded by moneys appropriated from the General
38 Fund, to supplement new staffing that will be made available through
39 the educational aid for the blind and visually handicapped children
40 account, which shall be governed by formal written policies
41 established by the agency.

42 (2) The Board of Education and Services for the Blind shall use
43 funds appropriated to said account, first to provide specialized books,
44 materials, equipment, supplies, adaptive technology services and
45 devices, specialist examinations and aids, preschool programs [,] and
46 vision-related independent living services, excluding primary
47 educational placement, for eligible children without regard to a per
48 child statutory maximum.

49 (3) The Board of Education and Services for the Blind may, within
50 available appropriations, employ certified teachers of the visually
51 impaired in sufficient numbers to meet the requests for services
52 received from school districts. In responding to such requests, the
53 agency shall utilize a formula for determining the number of teachers
54 needed to serve the school districts, crediting six points [per] for each
55 Braille-learning child and one point for each other child, with one full-
56 time certified teacher of the visually impaired assigned for every
57 twenty-five points credited. The agency shall exercise due diligence to
58 employ the needed number of certified teachers of the visually
59 impaired, but shall not be liable for lack of resources. Not later than
60 October first of each year, the Board of Education and Services for the
61 Blind shall determine the number of teachers needed based on the
62 formula provided in this subdivision. Based on such determination the
63 Board of Education and Services for the Blind shall estimate the
64 funding needed to pay such teachers' salaries, benefits and related
65 expenses.

66 (4) In any fiscal year, when funds appropriated to cover the
67 combined costs associated with providing the services set forth in
68 subdivisions (2) and (3) of this subsection are projected to be
69 insufficient, the Board of Education and Services for the Blind shall be
70 authorized to collect revenue from all school districts that have
71 requested such services on a per student pro rata basis, in the sums
72 necessary to cover the projected portion of these services for which
73 there are insufficient appropriations.

74 (5) Remaining funds in said account, not expended to fund the
75 services set forth in subdivisions (2) and (3) of this subsection, shall be
76 used to cover on a pro rata basis, the actual cost with benefits of
77 retaining a teacher of the visually impaired, directly hired or
78 contracted by the school districts which opt to not seek such services
79 from the Board of Education and Services for the Blind.
80 Reimbursement shall occur at the completion of the school year, using
81 the caseload formula denoted in subdivision (3) of this section, with

82 twenty-five points [allowing] allowed for the maximum reimbursable
83 amount as established by the agency annually.

84 (6) Remaining funds in such account, not expended to fund the
85 services set forth in subdivisions (2), (3) and (5) of this subsection, shall
86 be distributed to the school districts on a pro rata formula basis with a
87 two-to-one credit ratio for Braille-learning students to non-Braille-
88 learning students in the school district based upon the annual child
89 count data provided pursuant to subdivision (1) of this subsection.

90 (c) The Board of Education and Services for the Blind may provide
91 for the instruction of the adult blind in their homes, expending
92 annually for this purpose such sums as the General Assembly may
93 appropriate.

94 (d) The Board of Education and Services for the Blind may expend
95 up to ten thousand dollars per fiscal year per person twenty-one years
96 of age or over who is both blind or visually impaired and deaf for the
97 purpose of sending such person to a specialized public or private
98 facility within the state furnishing programs from which such person
99 can profit. Said board may determine the criteria by which a person is
100 sent to a specialized public or private facility and may adopt
101 regulations necessary to carry out the provisions of this subsection.

102 (e) The Board of Education and Services for the Blind may, within
103 available appropriations, purchase adaptive equipment for persons
104 receiving services pursuant to this chapter. The cost of such purchases
105 shall not exceed, and shall be included in, the maximum amount
106 authorized for instructional expenses under subsection [(a)] (b) of this
107 section.

108 Sec. 2. Subsection (a) of section 17b-112 of the general statutes, as
109 amended by section 1 of public act 03-28, section 5 of public act 03-268
110 and section 80 of public act 03-3 of the June 30 special session, is
111 repealed and the following is substituted in lieu thereof (*Effective*
112 *October 1, 2004*):

113 (a) The Department of Social Services shall administer a temporary
114 family assistance program under which cash assistance shall be
115 provided to eligible families in accordance with the temporary
116 assistance for needy families program, established pursuant to the
117 Personal Responsibility and Work Opportunity Reconciliation Act of
118 1996. Under the temporary family assistance program, benefits shall be
119 provided to a family for not longer than twenty-one months, except as
120 provided in subsections (b) and (c) of this section. For the purpose of
121 calculating said twenty-one-month time limit, months of assistance
122 received on and after January 1, 1996, pursuant to time limits under
123 the aid to families with dependent children program, shall be
124 included. For purposes of this section, "family" means one or more
125 individuals who apply for or receive assistance together under the
126 temporary family assistance program. If the commissioner determines
127 that federal law allows individuals not otherwise in an eligible covered
128 group for the temporary family assistance program to become covered,
129 such family may also, at the discretion of the commissioner, be
130 composed of (1) a pregnant woman, or (2) a parent, both parents or
131 other caretaker relative and at least one child who is under the age of
132 eighteen, or who is under the age of nineteen and a full-time student in
133 a secondary school or its equivalent. A caretaker relative shall be
134 related to the child or children by blood, marriage or adoption or shall
135 be the legal guardian of such a child or pursuing legal proceedings
136 necessary to achieve guardianship. If the commissioner elects to allow
137 state eligibility consistent with any change in federal law, the
138 commissioner may administratively transfer any qualifying family
139 cases under the cash assistance portion of the state-administered
140 general assistance program to the temporary family assistance
141 program without regard to usual eligibility and enrollment
142 procedures. If such families become an ineligible coverage group
143 under the federal law, the commissioner shall administratively transfer
144 such families back to the cash assistance portion of the state-
145 administered general assistance program without regard to usual
146 eligibility and enrollment procedures to the degree that such families

147 are eligible for the state program.

148 Sec. 3. Subsection (a) of section 17b-119 of the general statutes, as
149 amended by section 49 of public act 03-3 of the June 30 special session,
150 is repealed and the following is substituted in lieu thereof (*Effective*
151 *October 1, 2004*):

152 (a) [For those recipients] If a recipient of state-administered general
153 assistance [who have] has been denied aid under the federal
154 Supplemental Security Income Program, or [who have] has been
155 notified by the Social Security Administration that [their] his benefits
156 under such program will be terminated, the Commissioner of Social
157 Services shall advise the [client] recipient as to his right of appeal and
158 the availability of local legal counsel. The attorney chosen by the
159 recipient shall be reimbursed by the state for his reasonable fees, on a
160 contingency basis, limited to the amount approved by the Department
161 of Social Services, and limited to the amount approved by the Social
162 Security Administration when such approval is required by federal
163 regulations for such appeals. Such attorney's fees shall not be
164 recoverable from such recipient or his estate. The full amount of any
165 interim assistance reimbursement received by the state shall be applied
166 to reduce any obligation owed to the town by such recipient.

167 Sec. 4. Section 17b-131 of the general statutes, as amended by section
168 48 of public act 03-3 of the June 30 special session, is repealed and the
169 following is substituted in lieu thereof (*Effective October 1, 2004*):

170 When a person in any town, or sent from such town to any licensed
171 institution or state humane institution, dies or is found dead therein
172 and does not leave sufficient estate or has no legally liable relative able
173 to pay the cost of a proper funeral and burial, the chief executive
174 officer of such town [,] shall give to such person a proper funeral and
175 burial, and shall pay a sum not exceeding twelve hundred dollars as
176 an allowance toward the funeral expenses of such deceased, said sum
177 to be paid, upon submission of a proper bill, to the funeral director,
178 cemetery or crematory, as the case may be. The Commissioner of Social

179 Services shall reimburse such town for such burial. Such payment for
180 funeral and burial expenses shall be reduced by (1) the amount in any
181 revocable or irrevocable funeral fund, (2) any prepaid funeral contract,
182 (3) the face value of any life insurance policy owned by the decedent,
183 and (4) contributions in excess of two thousand eight hundred dollars
184 toward such funeral and burial expenses from all other sources
185 including friends, relatives and all other persons, organizations,
186 veterans and other benefit programs and other agencies.

187 Sec. 5. Subsection (a) of section 17b-257 of the general statutes, as
188 amended by section 18 of public act 03-2 and section 43 of public act
189 03-3 of the June 30 special session, are repealed and the following is
190 substituted in lieu thereof (*Effective October 1, 2004*):

191 (a) The Commissioner of Social Services shall implement a state
192 medical assistance component of the state-administered general
193 assistance program for persons ineligible for Medicaid. Not later than
194 October 1, 2003, each person eligible for state-administered general
195 assistance shall be entitled to receive medical care through a federally
196 qualified health center or other primary care provider as determined
197 by the commissioner. The Commissioner of Social Services shall
198 determine appropriate service areas and shall, in the commissioner's
199 discretion, contract with community health centers, other similar
200 clinics, and other primary care providers, if necessary, to assure access
201 to primary care services for recipients who live farther than a
202 reasonable distance from a federally qualified health center. The
203 commissioner shall assign and enroll eligible persons in federally
204 qualified health centers and with any other providers contracted for
205 the program because of access needs. Not later than October 1, 2003,
206 each person eligible for state-administered general assistance shall be
207 entitled to receive hospital services. Medical services under the
208 program shall be limited to the services provided by a federally
209 qualified health center, hospital, or other provider contracted for the
210 program at the commissioner's discretion because of access needs. The
211 commissioner shall ensure that ancillary services and specialty services

212 are provided by a federally qualified health center, hospital, or other
 213 providers contracted for the program at the commissioner's discretion.
 214 Ancillary services include, but are not limited to, radiology, laboratory,
 215 and other diagnostic services not available from a recipient's assigned
 216 primary-care provider, and durable medical equipment. Specialty
 217 services are services provided by a physician with a specialty that are
 218 not included in ancillary services. In no event [J] shall ancillary or
 219 specialty services provided under the program exceed such services
 220 provided under the state-administered general assistance program on
 221 July 1, 2003. Eligibility criteria concerning income shall be the same as
 222 the medically needy component of the Medicaid program, except that
 223 earned monthly gross income of up to one hundred fifty dollars shall
 224 be disregarded. Unearned income shall not be disregarded. No person
 225 who has family assets exceeding one thousand dollars shall be eligible.
 226 No person eligible for Medicaid shall be eligible to receive medical
 227 care through the state-administered general assistance program.

228 Sec. 6. Subsection (g) of section 17b-261 of the general statutes, as
 229 amended by section 2 of public act 03-28, is repealed and the following
 230 is substituted in lieu thereof (*Effective October 1, 2004*):

231 (g) To the extent permitted by federal law, Medicaid eligibility shall
 232 be extended for two years to a family [who] that becomes ineligible for
 233 medical assistance under Section 1931 of the Social Security Act while
 234 one of its members is employed or due to receipt of child support
 235 income or a family with an adult who, within six months of becoming
 236 ineligible under Section 1931 of the Social Security Act becomes
 237 employed.

238 Sec. 7. Subsection (h) of section 17b-261a of the general statutes, as
 239 amended by section 62 of public act 03-3 of the June 30 special session,
 240 is repealed and the following is substituted in lieu thereof (*Effective*
 241 *October 1, 2004*):

242 (h) The Commissioner of Social Services, pursuant to section 17b-
 243 10, shall implement the policies and procedures necessary to carry out

244 the provisions of this section while in the process of adopting such
245 [regulations] policies and procedures in regulation form, provided
246 notice of intent to adopt regulations is published in the Connecticut
247 Law Journal [within] not later than twenty days after implementation.
248 Such policies and procedures shall be valid until the time final
249 regulations are effective.

250 Sec. 8. Section 12 of public act 03-2 is repealed and the following is
251 substituted in lieu thereof (*Effective October 1, 2004*):

252 In no event shall an individual eligible for medical assistance under
253 section 17b-261, as amended, be guaranteed [eligible] eligibility for
254 such assistance for six consecutive months without regard to changes
255 in certain circumstances that would otherwise cause the individual to
256 become ineligible for assistance.

257 Sec. 9. Section 2 of public act 03-155 is repealed and the following is
258 substituted in lieu thereof (*Effective October 1, 2004*):

259 (a) Not later than July 1, 2004, and prior to the implementation of a
260 state-wide dental plan that provides for the administration of the
261 dental services portion of the department's medical assistance, the
262 Commissioner of Social Services shall amend the federal waiver
263 approved pursuant to Section 1915(b) of the Social Security Act. Such
264 waiver amendment shall be submitted to the joint standing committees
265 of the General Assembly having cognizance of matters relating to
266 human services and appropriations and the budgets of state agencies
267 in accordance with the provisions of section 17b-8.

268 (b) Prior to the implementation of a state-wide dental plan that
269 provides for the administration of the dental services portion of the
270 department's medical assistance program, the Commissioner of Social
271 Services shall review eliminating prior authorization requirements for
272 basic and routine dental services. In the event the commissioner
273 [promulgates] adopts regulations to eliminate such prior authorization
274 requirements, the commissioner may implement policies and

275 procedures for the purposes of this subsection while in the process of
 276 adopting such regulations, provided the commissioner prints notice of
 277 intention to adopt the regulations in the Connecticut Law Journal
 278 [within] not later than twenty days [of] after implementing the policies
 279 and procedures.

280 Sec. 10. Subsection (a) of section 17b-292 of the general statutes, as
 281 amended by section 7 of public act 03-2 and section 56 of public act 03-
 282 3 of the June 30 special session, is repealed and the following is
 283 substituted in lieu thereof (*Effective October 1, 2004*):

284 (a) A child who resides in a household with a family income which
 285 exceeds one hundred eighty-five per cent of the federal poverty level
 286 and does not exceed three hundred per cent of the federal poverty
 287 level may be eligible for subsidized benefits under the HUSKY Plan,
 288 Part B. The services and cost-sharing requirements under the HUSKY
 289 Plan, Part B shall be substantially similar to the services and cost-
 290 sharing requirements of the largest commercially available health plan
 291 offered by a managed care organization, as defined in section 38a-478,
 292 as amended, offered to residents in this state as measured by the
 293 number of covered lives reported to the [Department of] Insurance
 294 Department in the most recent audited annual report.

295 Sec. 11. Section 17b-340 of the general statutes, as amended by
 296 section 17 of public act 03-2, section 45 of public act 03-19 and section
 297 50 of public act 03-3 of the June 30 special session, is repealed and the
 298 following is substituted in lieu thereof (*Effective October 1, 2004*):

299 (a) The rates to be paid by or for persons aided or cared for by the
 300 state or any town in this state to licensed chronic and convalescent
 301 nursing homes, to chronic disease hospitals associated with chronic
 302 and convalescent nursing homes, to rest homes with nursing
 303 supervision [and] to licensed residential care homes, as defined by
 304 section 19a-490, as amended, and to residential facilities for the
 305 mentally retarded which are licensed pursuant to section 17a-227, as
 306 amended, and certified to participate in the Title XIX Medicaid

307 program as intermediate care facilities for the mentally retarded, for
308 room, board and services specified in licensing regulations issued by
309 the licensing agency shall be determined annually, except as otherwise
310 provided in this subsection, after a public hearing, by the
311 Commissioner of Social Services, to be effective July first of each year
312 except as otherwise provided in this subsection. Such rates shall be
313 determined on a basis of a reasonable payment for such necessary
314 services, which basis shall take into account as a factor the costs of
315 such services. Cost of such services shall include (1) reasonable costs
316 mandated by collective bargaining agreements with certified collective
317 bargaining agents or other agreements between the employer and
318 employees, provided "employees" shall not include persons employed
319 as managers or chief administrators or required to be licensed as
320 nursing home administrators, and (2) compensation for services
321 rendered by proprietors at prevailing wage rates, as determined by
322 application of principles of accounting as prescribed by said
323 commissioner. Cost of such services shall not include amounts paid by
324 the facilities to employees as salary, or to attorneys or consultants as
325 fees, where the responsibility of the employees, attorneys, or
326 consultants is to persuade or seek to persuade the other employees of
327 the facility to support or oppose unionization. Nothing in this
328 subsection shall prohibit inclusion of amounts paid for legal counsel
329 related to the negotiation of collective bargaining agreements, the
330 settlement of grievances or normal administration of labor relations.
331 The commissioner may, in his discretion, allow the inclusion of
332 extraordinary and unanticipated costs of providing services which
333 were incurred to avoid an immediate negative impact on the health
334 and safety of patients. The commissioner may, in his discretion, based
335 upon review of a facility's costs, direct care staff to patient ratio and
336 any other related information, revise a facility's rate for any increases
337 or decreases to total licensed capacity of more than ten beds or changes
338 to its number of licensed rest home with nursing supervision beds and
339 chronic and convalescent nursing home beds. The commissioner may
340 so revise a facility's rate established for the fiscal year ending June 30,

1993, and thereafter for any bed increases, decreases or changes in licensure effective after October 1, 1989. Effective July 1, 1991, in facilities which have both a chronic and convalescent nursing home and a rest home with nursing supervision, the rate for the rest home with nursing supervision shall not exceed such facility's rate for its chronic and convalescent nursing home. All such facilities for which rates are determined under this subsection shall report on a fiscal year basis ending on the thirtieth day of September. Such report shall be submitted to the commissioner by the thirty-first day of December. The commissioner may reduce the rate in effect for a facility which fails to report on or before such date by an amount not to exceed ten per cent of such rate. The commissioner shall annually, on or before the fifteenth day of February, report the data contained in the reports of such facilities to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations. For the cost reporting year commencing October 1, 1985, and for subsequent cost reporting years, facilities shall report the cost of using the services of any nursing pool employee by separating said cost into two categories, the portion of the cost equal to the salary of the employee for whom the nursing pool employee is substituting shall be considered a nursing cost and any cost in excess of such salary shall be further divided so that seventy-five per cent of the excess cost shall be considered an administrative or general cost and twenty-five per cent of the excess cost shall be considered a nursing cost, provided if the total nursing pool costs of a facility for any cost year are equal to or exceed fifteen per cent of the total nursing expenditures of the facility for such cost year, no portion of nursing pool costs in excess of fifteen per cent shall be classified as administrative or general costs. The commissioner, in determining such rates, shall also take into account the classification of patients or boarders according to special care requirements or classification of the facility according to such factors as facilities and services and such other factors as he deems reasonable, including anticipated fluctuations in the cost of providing such services. The commissioner may establish a separate rate for a facility

375 or a portion of a facility for traumatic brain injury patients who require
376 extensive care but not acute general hospital care. Such separate rate
377 shall reflect the special care requirements of such patients. If changes
378 in federal or state laws, regulations or standards adopted subsequent
379 to June 30, 1985, result in increased costs or expenditures in an amount
380 exceeding one-half of one per cent of allowable costs for the most
381 recent cost reporting year, the commissioner shall adjust rates and
382 provide payment for any such increased reasonable costs or
383 expenditures within a reasonable period of time retroactive to the date
384 of enforcement. Nothing in this section shall be construed to require
385 the Department of Social Services to adjust rates and provide payment
386 for any increases in costs resulting from an inspection of a facility by
387 the Department of Public Health. Such assistance as the commissioner
388 requires from other state agencies or departments in determining rates
389 shall be made available to him at his request. Payment of the rates
390 established hereunder shall be conditioned on the establishment by
391 such facilities of admissions procedures which conform with this
392 section, section 19a-533, as amended, and all other applicable
393 provisions of the law and the provision of equality of treatment to all
394 persons in such facilities. The established rates shall be the maximum
395 amount chargeable by such facilities for care of such beneficiaries, and
396 the acceptance by or on behalf of any such facility of any additional
397 compensation for care of any such beneficiary from any other person
398 or source shall constitute the offense of aiding a beneficiary to obtain
399 aid to which he is not entitled and shall be punishable in the same
400 manner as is provided in subsection (b) of section 17b-97. For the fiscal
401 year ending June 30, 1992, rates for licensed residential care homes and
402 intermediate care facilities for the mentally retarded may receive an
403 increase not to exceed the most recent annual increase in the Regional
404 Data Resources Incorporated McGraw-Hill Health Care Costs:
405 Consumer Price Index (all urban)-All Items. Rates for newly certified
406 intermediate care facilities for the mentally retarded shall not exceed
407 one hundred fifty per cent of the median rate of rates in effect on
408 January 31, 1991, for intermediate care facilities for the mentally

409 retarded certified prior to February 1, 1991. Notwithstanding any
410 provision of this section, the Commissioner of Social Services shall not
411 adjust an annual rate for a licensed chronic and convalescent nursing
412 home or a rest home with nursing supervision set for the fiscal years
413 ending June 30, 2004, and June 30, 2005, for any reason other than to:
414 [(1)] (A) Reflect a percentage increase in subsection (f) of this section;
415 [(2)] (B) lower a rate; or [(3)] (C) allow the inclusion of extraordinary
416 and unanticipated costs in accordance with this subsection.

417 (b) The Commissioner of Social Services shall adopt regulations in
418 accordance with the provisions of chapter 54 to specify other allowable
419 services. For purposes of this section, other allowable services means
420 those services required by any medical assistance beneficiary residing
421 in such home or hospital which are not already covered in the rate set
422 by the commissioner in accordance with the provisions of subsection
423 (a) of this section.

424 (c) No facility subject to the requirements of this section shall accept
425 payment in excess of the rate set by the commissioner pursuant to
426 subsection (a) of this section for any medical assistance patient from
427 this or any other state. No facility shall accept payment in excess of the
428 reasonable and necessary costs of other allowable services as specified
429 by the commissioner pursuant to the regulations [promulgated]
430 adopted under subsection (b) of this section for any public assistance
431 patient from this or any other state. Notwithstanding the provisions of
432 this subsection, the commissioner may authorize a facility to accept
433 payment in excess of the rate paid for a medical assistance patient in
434 this state for a patient who receives medical assistance from another
435 state.

436 (d) In any instance where the Commissioner of Social Services finds
437 that a facility subject to the requirements of this section is accepting
438 payment for a medical assistance beneficiary in violation of subsection
439 (c) of this section, the commissioner shall proceed to recover through
440 the rate set for the facility any sum in excess of the stipulated per diem

441 and other allowable costs, as [promulgated] provided for in
442 regulations adopted pursuant to subsections (a) and (b) of this section.
443 The commissioner shall make the recovery prospectively at the time of
444 the next annual rate redetermination.

445 (e) Except as provided in this subsection, the provisions of
446 subsections (c) and (d) of this section shall not apply to any facility
447 subject to the requirements of this section, which on October 1, 1981,
448 (1) was accepting payments from the commissioner in accordance with
449 the provisions of subsection (a) of this section, (2) was accepting
450 medical assistance payments from another state for at least twenty per
451 cent of its patients, and (3) had not notified the commissioner of any
452 intent to terminate its provider agreement, in accordance with section
453 17b-271, provided no patient residing in any such facility on May 22,
454 1984, shall be removed from such facility for purposes of meeting the
455 requirements of this subsection. If the commissioner finds that the
456 number of beds available to medical assistance patients from this state
457 in any such facility is less than fifteen per cent the provisions of
458 subsections (c) and (d) of this section shall apply to that number of
459 beds which is less than said percentage.

460 (f) For the fiscal year ending June 30, 1992, the rates paid by or for
461 persons aided or cared for by the state or any town in this state to
462 facilities for room, board and services specified in licensing regulations
463 issued by the licensing agency, except intermediate care facilities for
464 the mentally retarded and residential care homes, shall be based on the
465 cost year ending September 30, 1989. For the fiscal years ending June
466 30, 1993, and June 30, 1994, such rates shall be based on the cost year
467 ending September 30, 1990. Such rates shall be determined by the
468 Commissioner of Social Services in accordance with this section and
469 the regulations of Connecticut state agencies promulgated by the
470 commissioner and in effect on April 1, 1991, except that:

471 (1) Allowable costs shall be divided into the following five cost
472 components: Direct costs, which shall include salaries for nursing

473 personnel, related fringe benefits and nursing pool costs; indirect costs,
474 which shall include professional fees, dietary expenses, housekeeping
475 expenses, laundry expenses, supplies related to patient care, salaries
476 for indirect care personnel and related fringe benefits; fair rent, which
477 shall be defined in accordance with subsection (f) of section 17-311-52
478 of the regulations of Connecticut state agencies; capital-related costs,
479 which shall include property taxes, insurance expenses, equipment
480 leases and equipment depreciation; and administrative and general
481 costs, which shall include maintenance and operation of plant
482 expenses, salaries for administrative and maintenance personnel and
483 related fringe benefits. The commissioner may provide a rate
484 adjustment for nonemergency transportation services required by
485 nursing facility residents. Such adjustment shall be a fixed amount
486 determined annually by the commissioner based upon a review of
487 costs and other associated information. Allowable costs shall not
488 include costs for ancillary services payable under Part B of the
489 Medicare program.

490 (2) Two geographic peer groupings of facilities shall be established
491 for each level of care, as defined by the Department of Social Services
492 for the determination of rates, for the purpose of determining
493 allowable direct costs. One peer grouping shall be comprised of those
494 facilities located in Fairfield County. The other peer grouping shall be
495 comprised of facilities located in all other counties.

496 (3) For the fiscal year ending June 30, 1992, per diem maximum
497 allowable costs for each cost component shall be as follows: For direct
498 costs, the maximum shall be equal to one hundred forty per cent of the
499 median allowable cost of that peer grouping; for indirect costs, the
500 maximum shall be equal to one hundred thirty per cent of the state-
501 wide median allowable cost; for fair rent, the amount shall be
502 calculated utilizing the amount approved by the Office of Health Care
503 Access pursuant to section 19a-638, as amended; for capital-related
504 costs, there shall be no maximum; and for administrative and general
505 costs, the maximum shall be equal to one hundred twenty-five per cent

506 of the state-wide median allowable cost. For the fiscal year ending June
507 30, 1993, per diem maximum allowable costs for each cost component
508 shall be as follows: For direct costs, the maximum shall be equal to one
509 hundred forty per cent of the median allowable cost of that peer
510 grouping; for indirect costs, the maximum shall be equal to one
511 hundred twenty-five per cent of the state-wide median allowable cost;
512 for fair rent, the amount shall be calculated utilizing the amount
513 approved by the Office of Health Care Access pursuant to section 19a-
514 638, as amended; for capital-related costs, there shall be no maximum;
515 and for administrative and general costs the maximum shall be equal
516 to one hundred fifteen per cent of the state-wide median allowable
517 cost. For the fiscal year ending June 30, 1994, per diem maximum
518 allowable costs for each cost component shall be as follows: For direct
519 costs, the maximum shall be equal to one hundred thirty-five per cent
520 of the median allowable cost of that peer grouping; for indirect costs,
521 the maximum shall be equal to one hundred twenty per cent of the
522 state-wide median allowable cost; for fair rent, the amount shall be
523 calculated utilizing the amount approved by the Office of Health Care
524 Access pursuant to section 19a-638, as amended; for capital-related
525 costs, there shall be no maximum; and for administrative and general
526 costs the maximum shall be equal to one hundred ten per cent of the
527 state-wide median allowable cost. For the fiscal year ending June 30,
528 1995, per diem maximum allowable costs for each cost component
529 shall be as follows: For direct costs, the maximum shall be equal to one
530 hundred thirty-five per cent of the median allowable cost of that peer
531 grouping; for indirect costs, the maximum shall be equal to one
532 hundred twenty per cent of the state-wide median allowable cost; for
533 fair rent, the amount shall be calculated utilizing the amount approved
534 by the Office of Health Care Access pursuant to section 19a-638, as
535 amended; for capital-related costs, there shall be no maximum; and for
536 administrative and general costs the maximum shall be equal to one
537 hundred five per cent of the state-wide median allowable cost. For the
538 fiscal year ending June 30, 1996, and any succeeding fiscal year, except
539 for the fiscal years ending June 30, 2000, and June 30, 2001, for facilities

540 with an interim rate in one or both periods, per diem maximum
541 allowable costs for each cost component shall be as follows: For direct
542 costs, the maximum shall be equal to one hundred thirty-five per cent
543 of the median allowable cost of that peer grouping; for indirect costs,
544 the maximum shall be equal to one hundred fifteen per cent of the
545 state-wide median allowable cost; for fair rent, the amount shall be
546 calculated utilizing the amount approved pursuant to section 19a-638,
547 as amended; for capital-related costs, there shall be no maximum; and
548 for administrative and general costs the maximum shall be equal to the
549 state-wide median allowable cost. For the fiscal years ending June 30,
550 2000, and June 30, 2001, for facilities with an interim rate in one or both
551 periods, per diem maximum allowable costs for each cost component
552 shall be as follows: For direct costs, the maximum shall be equal to one
553 hundred forty-five per cent of the median allowable cost of that peer
554 grouping; for indirect costs, the maximum shall be equal to one
555 hundred twenty-five per cent of the state-wide median allowable cost;
556 for fair rent, the amount shall be calculated utilizing the amount
557 approved pursuant to section 19a-638, as amended; for capital-related
558 costs, there shall be no maximum; and for administrative and general
559 costs, the maximum shall be equal to the state-wide median allowable
560 cost and such medians shall be based upon the same cost year used to
561 set rates for facilities with prospective rates. Costs in excess of the
562 maximum amounts established under this subsection shall not be
563 recognized as allowable costs, except that the Commissioner of Social
564 Services (A) may allow costs in excess of maximum amounts for any
565 facility with patient days covered by Medicare, including days
566 requiring coinsurance, in excess of twelve per cent of annual patient
567 days which also has patient days covered by Medicaid in excess of fifty
568 per cent of annual patient days; (B) may establish a pilot program
569 whereby costs in excess of maximum amounts shall be allowed for
570 beds in a nursing home which has a managed care program and is
571 affiliated with a hospital licensed under chapter 368v; and (C) may
572 establish rates whereby allowable costs may exceed such maximum
573 amounts for beds approved on or after July 1, 1991, which are

574 restricted to use by patients with acquired immune deficiency
575 syndrome or traumatic brain injury.

576 (4) For the fiscal year ending June 30, 1992, (A) no facility shall
577 receive a rate that is less than the rate it received for the rate year
578 ending June 30, 1991; (B) no facility whose rate, if determined pursuant
579 to this subsection, would exceed one hundred twenty per cent of the
580 state-wide median rate, as determined pursuant to this subsection,
581 shall receive a rate which is five and one-half per cent more than the
582 rate it received for the rate year ending June 30, 1991; and (C) no
583 facility whose rate, if determined pursuant to this subsection, would be
584 less than one hundred twenty per cent of the state-wide median rate,
585 as determined pursuant to this subsection, shall receive a rate which is
586 six and one-half per cent more than the rate it received for the rate year
587 ending June 30, 1991. For the fiscal year ending June 30, 1993, no
588 facility shall receive a rate that is less than the rate it received for the
589 rate year ending June 30, 1992, or six per cent more than the rate it
590 received for the rate year ending June 30, 1992. For the fiscal year
591 ending June 30, 1994, no facility shall receive a rate that is less than the
592 rate it received for the rate year ending June 30, 1993, or six per cent
593 more than the rate it received for the rate year ending June 30, 1993.
594 For the fiscal year ending June 30, 1995, no facility shall receive a rate
595 that is more than five per cent less than the rate it received for the rate
596 year ending June 30, 1994, or six per cent more than the rate it received
597 for the rate year ending June 30, 1994. For the fiscal years ending June
598 30, 1996, and June 30, 1997, no facility shall receive a rate that is more
599 than three per cent more than the rate it received for the prior rate
600 year. For the fiscal year ending June 30, 1998, a facility shall receive a
601 rate increase that is not more than two per cent more than the rate that
602 the facility received in the prior year. For the fiscal year ending June
603 30, 1999, a facility shall receive a rate increase that is not more than
604 three per cent more than the rate that the facility received in the prior
605 year and that is not less than one per cent more than the rate that the
606 facility received in the prior year, exclusive of rate increases associated
607 with a wage, benefit and staffing enhancement rate adjustment added

608 for the period from April 1, 1999, to June 30, 1999, inclusive. For the
609 fiscal year ending June 30, 2000, each facility, except a facility with an
610 interim rate or replaced interim rate for the fiscal year ending June 30,
611 1999, and a facility having a certificate of need or other agreement
612 specifying rate adjustments for the fiscal year ending June 30, 2000,
613 shall receive a rate increase equal to one per cent applied to the rate the
614 facility received for the fiscal year ending June 30, 1999, exclusive of
615 the facility's wage, benefit and staffing enhancement rate adjustment.
616 For the fiscal year ending June 30, 2000, no facility with an interim rate,
617 replaced interim rate or scheduled rate adjustment specified in a
618 certificate of need or other agreement for the fiscal year ending June
619 30, 2000, shall receive a rate increase that is more than one per cent
620 more than the rate the facility received in the fiscal year ending June
621 30, 1999. For the fiscal year ending June 30, 2001, each facility, except a
622 facility with an interim rate or replaced interim rate for the fiscal year
623 ending June 30, 2000, and a facility having a certificate of need or other
624 agreement specifying rate adjustments for the fiscal year ending June
625 30, 2001, shall receive a rate increase equal to two per cent applied to
626 the rate the facility received for the fiscal year ending June 30, 2000,
627 subject to verification of wage enhancement adjustments pursuant to
628 subdivision (15) of this subsection. For the fiscal year ending June 30,
629 2001, no facility with an interim rate, replaced interim rate or
630 scheduled rate adjustment specified in a certificate of need or other
631 agreement for the fiscal year ending June 30, 2001, shall receive a rate
632 increase that is more than two per cent more than the rate the facility
633 received for the fiscal year ending June 30, 2000. For the fiscal year
634 ending June 30, 2002, each facility shall receive a rate that is two and
635 one-half per cent more than the rate the facility received in the prior
636 fiscal year. For the fiscal year ending June 30, 2003, each facility shall
637 receive a rate that is two per cent more than the rate the facility
638 received in the prior fiscal year, except that such increase shall be
639 effective January 1, 2003, and such facility rate in effect for the fiscal
640 year ending June 30, 2002, shall be paid for services provided until
641 December 31, 2002, except any facility that would have been issued a

642 lower rate effective July 1, 2002, than for the fiscal year ending June 30,
643 2002, due to interim rate status or agreement with the department shall
644 be issued such lower rate effective July 1, 2002, and have such rate
645 increased two per cent effective June 1, 2003. For the fiscal year ending
646 June 30, 2004, rates in effect for the period ending June 30, 2003, shall
647 remain in effect, except any facility that would have been issued a
648 lower rate effective July 1, 2003, than for the fiscal year ending June 30,
649 2003, due to interim rate status or agreement with the department shall
650 be issued such lower rate effective July 1, 2003. For the fiscal year
651 ending June 30, 2005, rates in effect for the period ending June 30, 2004,
652 shall remain in effect until December 31, 2004, except any facility that
653 would have been issued a lower rate effective July 1, 2004, than for the
654 fiscal year ending June 30, 2004, due to interim rate status or
655 agreement with the department shall be issued such lower rate
656 effective July 1, 2004. Effective January 1, 2005, each facility shall
657 receive a rate that is one per cent greater than the rate in effect
658 December 31, 2004. The Commissioner of Social Services shall add fair
659 rent increases to any other rate increases established pursuant to this
660 subdivision for a facility which has undergone a material change in
661 circumstances related to fair rent.

662 (5) For the purpose of determining allowable fair rent, a facility with
663 allowable fair rent less than the twenty-fifth percentile of the state-
664 wide allowable fair rent shall be reimbursed as having allowable fair
665 rent equal to the twenty-fifth percentile of the state-wide allowable fair
666 rent, provided for the fiscal years ending June 30, 1996, and June 30,
667 1997, the reimbursement may not exceed the twenty-fifth percentile of
668 the state-wide allowable fair rent for the fiscal year ending June 30,
669 1995. On and after July 1, 1998, the Commissioner of Social Services
670 may allow minimum fair rent as the basis upon which reimbursement
671 associated with improvements to real property is added. Beginning
672 with the fiscal year ending June 30, 1996, any facility with a rate of
673 return on real property other than land in excess of eleven per cent
674 shall have such allowance revised to eleven per cent. Any facility or its
675 related realty affiliate which finances or refinances debt through bonds

676 issued by the State of Connecticut Health and Education Facilities
677 Authority shall report the terms and conditions of such financing or
678 refinancing to the Commissioner of Social Services within thirty days
679 of completing such financing or refinancing. The Commissioner of
680 Social Services may revise the facility's fair rent component of its rate
681 to reflect any financial benefit the facility or its related realty affiliate
682 received as a result of such financing or refinancing, including but not
683 limited to, reductions in the amount of debt service payments or
684 period of debt repayment. The commissioner shall allow actual debt
685 service costs for bonds issued by the State of Connecticut Health and
686 Educational Facilities Authority if such costs do not exceed property
687 costs allowed pursuant to subsection (f) of section 17-311-52 of the
688 regulations of Connecticut state agencies, provided the commissioner
689 may allow higher debt service costs for such bonds for good cause. For
690 facilities which first open on or after October 1, 1992, the commissioner
691 shall determine allowable fair rent for real property other than land
692 based on the rate of return for the cost year in which such bonds were
693 issued. The financial benefit resulting from a facility financing or
694 refinancing debt through such bonds shall be shared between the state
695 and the facility to an extent determined by the commissioner on a case-
696 by-case basis and shall be reflected in an adjustment to the facility's
697 allowable fair rent.

698 (6) A facility shall receive cost efficiency adjustments for indirect
699 costs and for administrative and general costs if such costs are below
700 the state-wide median costs. The cost efficiency adjustments shall
701 equal twenty-five per cent of the difference between allowable
702 reported costs and the applicable median allowable cost established
703 pursuant to this subdivision.

704 (7) For the fiscal year ending June 30, 1992, allowable operating
705 costs, excluding fair rent, shall be inflated using the Regional Data
706 Resources Incorporated McGraw-Hill Health Care Costs: Consumer
707 Price Index (all urban)-All Items minus one and one-half per cent. For
708 the fiscal year ending June 30, 1993, allowable operating costs,

709 excluding fair rent, shall be inflated using the Regional Data Resources
710 Incorporated McGraw-Hill Health Care Costs: Consumer Price Index
711 (all urban)-All Items minus one and three-quarters per cent. For the
712 fiscal years ending June 30, 1994, and June 30, 1995, allowable
713 operating costs, excluding fair rent, shall be inflated using the Regional
714 Data Resources Incorporated McGraw-Hill Health Care Costs:
715 Consumer Price Index (all urban)-All Items minus two per cent. For
716 the fiscal year ending June 30, 1996, allowable operating costs,
717 excluding fair rent, shall be inflated using the Regional Data Resources
718 Incorporated McGraw-Hill Health Care Costs: Consumer Price Index
719 (all urban)-All Items minus two and one-half per cent. For the fiscal
720 year ending June 30, 1997, allowable operating costs, excluding fair
721 rent, shall be inflated using the Regional Data Resources Incorporated
722 McGraw-Hill Health Care Costs: Consumer Price Index (all urban)-All
723 Items minus three and one-half per cent. For the fiscal year ending
724 June 30, 1992, and any succeeding fiscal year, allowable fair rent shall
725 be those reported in the annual report of long-term care facilities for
726 the cost year ending the immediately preceding September thirtieth.
727 The inflation index to be used pursuant to this subsection shall be
728 computed to reflect inflation between the midpoint of the cost year
729 through the midpoint of the rate year. The Department of Social
730 Services shall study methods of reimbursement for fair rent and shall
731 report its findings and recommendations to the joint standing
732 committee of the General Assembly having cognizance of matters
733 relating to human services on or before January 15, 1993.

734 (8) On and after July 1, 1994, costs shall be rebased no more
735 frequently than every two years and no less frequently than every four
736 years, as determined by the commissioner. The commissioner shall
737 determine whether and to what extent a change in ownership of a
738 facility shall occasion the rebasing of the facility's costs.

739 (9) The method of establishing rates for new facilities shall be
740 determined by the commissioner in accordance with the provisions of
741 this subsection.

742 (10) Rates determined under this section shall comply with federal
743 laws and regulations.

744 (11) For the fiscal year ending June 30, 1992, and any succeeding
745 fiscal year, one-half of the initial amount payable in June by the state to
746 a facility pursuant to this subsection shall be paid to the facility in June
747 and the balance of such amount shall be paid in July.

748 (12) Notwithstanding the provisions of this subsection, interim rates
749 issued for facilities on and after July 1, 1991, shall be subject to
750 applicable fiscal year cost component limitations established pursuant
751 to subdivision (3) of this subsection.

752 (13) A chronic and convalescent nursing home having an ownership
753 affiliation with and operated at the same location as a chronic disease
754 hospital may request that the commissioner approve an exception to
755 applicable rate-setting provisions for chronic and convalescent nursing
756 homes and establish a rate for the fiscal years ending June 30, 1992,
757 and June 30, 1993, in accordance with regulations in effect June 30,
758 1991. Any such rate shall not exceed one hundred sixty-five per cent of
759 the median rate established for chronic and convalescent nursing
760 homes established under this section for the applicable fiscal year.

761 (14) For the fiscal year ending June 30, 1994, and any succeeding
762 fiscal year, for purposes of computing minimum allowable patient
763 days, utilization of a facility's certified beds shall be determined at a
764 minimum of ninety-five per cent of capacity, except for new facilities
765 and facilities which are certified for additional beds which may be
766 permitted a lower occupancy rate for the first three months of
767 operation after the effective date of licensure.

768 (15) The Commissioner of Social Services shall adjust facility rates
769 from April 1, 1999, to June 30, 1999, inclusive, by a per diem amount
770 representing each facility's allocation of funds appropriated for the
771 purpose of wage, benefit and staffing enhancement. A facility's per
772 diem allocation of such funding shall be computed as follows: (A) The

773 facility's direct and indirect component salary, wage, nursing pool and
774 allocated fringe benefit costs as filed for the 1998 cost report period
775 deemed allowable in accordance with this section and applicable
776 regulations without application of cost component maximums
777 specified in subdivision (3) of this subsection shall be totalled; (B) such
778 total shall be multiplied by the facility's Medicaid utilization based on
779 the 1998 cost report; (C) the resulting amount for the facility shall be
780 divided by the sum of the calculations specified in subparagraphs (A)
781 and (B) of this subdivision for all facilities to determine the facility's
782 percentage share of appropriated wage, benefit and staffing
783 enhancement funding; (D) the facility's percentage share shall be
784 multiplied by the amount of appropriated wage, benefit and staffing
785 enhancement funding to determine the facility's allocated amount; and
786 (E) such allocated amount shall be divided by the number of days of
787 care paid for by Medicaid on an annual basis including days for
788 reserved beds specified in the 1998 cost report to determine the per
789 diem wage and benefit rate adjustment amount. The commissioner
790 may adjust a facility's reported 1998 cost and utilization data for the
791 purposes of determining a facility's share of wage, benefit and staffing
792 enhancement funding when reported 1998 information is not
793 substantially representative of estimated cost and utilization data for
794 the fiscal year ending June 30, 2000, due to special circumstances
795 during the 1998 cost report period including change of ownership with
796 a part year cost filing or reductions in facility capacity due to facility
797 renovation projects. Upon completion of the calculation of the
798 allocation of wage, benefit and staffing enhancement funding, the
799 commissioner shall not adjust the allocations due to revisions
800 submitted to previously filed 1998 annual cost reports. In the event
801 that a facility's rate for the fiscal year ending June 30, 1999, is an
802 interim rate or the rate includes an increase adjustment due to a rate
803 request to the commissioner or other reasons, the commissioner may
804 reduce or withhold the per diem wage, benefit and staffing
805 enhancement allocation computed for the facility. Any enhancement
806 allocations not applied to facility rates shall not be reallocated to other

807 facilities and such unallocated amounts shall be available for the costs
808 associated with interim rates and other Medicaid expenditures. The
809 wage, benefit and staffing enhancement per diem adjustment for the
810 period from April 1, 1999, to June 30, 1999, inclusive, shall also be
811 applied to rates for the fiscal years ending June 30, 2000, and June 30,
812 2001, except that the commissioner may increase or decrease the
813 adjustment to account for changes in facility capacity or operations.
814 Any facility accepting a rate adjustment for wage, benefit and staffing
815 enhancements shall apply payments made as a result of such rate
816 adjustment for increased allowable employee wage rates and benefits
817 and additional direct and indirect component staffing. Adjustment
818 funding shall not be applied to wage and salary increases provided to
819 the administrator, assistant administrator, owners or related party
820 employees. Enhancement payments may be applied to increases in
821 costs associated with staffing purchased from staffing agencies
822 provided such costs are deemed necessary and reasonable by the
823 commissioner. The commissioner shall compare expenditures for
824 wages, benefits and staffing for the 1998 cost report period to such
825 expenditures in the 1999, 2000 and 2001 cost report periods to verify
826 whether a facility has applied additional payments to specified
827 enhancements. In the event that the commissioner determines that a
828 facility did not apply additional payments to specified enhancements,
829 the commissioner shall recover such amounts from the facility through
830 rate adjustments or other means. The commissioner may require
831 facilities to file cost reporting forms, in addition to the annual cost
832 report, as may be necessary, to verify the appropriate application of
833 wage, benefit and staffing enhancement rate adjustment payments. For
834 the purposes of this subdivision, "Medicaid utilization" means the
835 number of days of care paid for by Medicaid on an annual basis
836 including days for reserved beds as a percentage of total resident days.

837 (16) The interim rate established to become effective upon sale of
838 any licensed chronic and convalescent home or rest home with nursing
839 supervision for which a receivership has been imposed pursuant to
840 sections 19a-541 to 19a-549, inclusive, shall not exceed the rate in effect

841 for the facility at the time of the imposition of the receivership, subject
842 to any annual increases permitted by this section; provided if such rate
843 is less than the median rate for the facility's peer grouping, as defined
844 in subdivision (2) of this subsection, the Commissioner of Social
845 Services may, in the commissioner's discretion, establish an increased
846 rate for the facility not to exceed such median rate unless the Secretary
847 of the Office of Policy and Management, after review of area nursing
848 facility bed availability and other pertinent factors, authorizes the
849 Commissioner of Social Services to establish a rate higher than the
850 median rate.

851 (g) For the fiscal year ending June 30, 1993, any intermediate care
852 facility for the mentally retarded with an operating cost component of
853 its rate in excess of one hundred forty per cent of the median of
854 operating cost components of rates in effect January 1, 1992, shall not
855 receive an operating cost component increase. For the fiscal year
856 ending June 30, 1993, any intermediate care facility for the mentally
857 retarded with an operating cost component of its rate that is less than
858 one hundred forty per cent of the median of operating cost
859 components of rates in effect January 1, 1992, shall have an allowance
860 for real wage growth equal to thirty per cent of the increase
861 determined in accordance with subsection (q) of section 17-311-52 of
862 the regulations of Connecticut state agencies, provided such operating
863 cost component shall not exceed one hundred forty per cent of the
864 median of operating cost components in effect January 1, 1992. Any
865 facility with real property other than land placed in service prior to
866 October 1, 1991, shall, for the fiscal year ending June 30, 1995, receive a
867 rate of return on real property equal to the average of the rates of
868 return applied to real property other than land placed in service for the
869 five years preceding October 1, 1993. For the fiscal year ending June 30,
870 1996, and any succeeding fiscal year, the rate of return on real property
871 for property items shall be revised every five years. The commissioner
872 shall, upon submission of a request, allow actual debt service,
873 comprised of principal and interest, in excess of property costs allowed
874 pursuant to section 17-311-52 of the regulations of Connecticut state

875 agencies, provided such debt service terms and amounts are
876 reasonable in relation to the useful life and the base value of the
877 property. For the fiscal year ending June 30, 1995, and any succeeding
878 fiscal year, the inflation adjustment made in accordance with
879 subsection (p) of section 17-311-52 of the regulations of Connecticut
880 state agencies shall not be applied to real property costs. For the fiscal
881 year ending June 30, 1996, and any succeeding fiscal year, the
882 allowance for real wage growth, as determined in accordance with
883 subsection (q) of section 17-311-52 of the regulations of Connecticut
884 state agencies, shall not be applied. For the fiscal year ending June 30,
885 1996, and any succeeding fiscal year, no rate shall exceed three
886 hundred seventy-five dollars per day unless the commissioner, in
887 consultation with the Commissioner of Mental Retardation,
888 determines after a review of program and management costs, that a
889 rate in excess of this amount is necessary for care and treatment of
890 facility residents. For the fiscal year ending June 30, 2002, rate period,
891 the Commissioner of Social Services shall increase the inflation
892 adjustment for rates made in accordance with subsection (p) of section
893 17-311-52 of the regulations of Connecticut state agencies to update
894 allowable fiscal year 2000 costs to include a three and one-half per cent
895 inflation factor. For the fiscal year ending June 30, 2003, rate period, the
896 commissioner shall increase the inflation adjustment for rates made in
897 accordance with subsection (p) of section 17-311-52 of the regulations
898 of Connecticut state agencies to update allowable fiscal year 2001 costs
899 to include a one and one-half per cent inflation factor, except that such
900 increase shall be effective November 1, 2002, and such facility rate in
901 effect for the fiscal year ending June 30, 2002, shall be paid for services
902 provided until October 31, 2002, except any facility that would have
903 been issued a lower rate effective July 1, 2002, than for the fiscal year
904 ending June 30, 2002, due to interim rate status or agreement with the
905 department shall be issued such lower rate effective July 1, 2002, and
906 have such rate updated effective November 1, 2002, in accordance with
907 applicable statutes and regulations. For the fiscal year ending June 30,
908 2004, rates in effect for the period ending June 30, 2003, shall remain in

909 effect, except any facility that would have been issued a lower rate
910 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due
911 to interim rate status or agreement with the department shall be issued
912 such lower rate effective July 1, 2003. Effective July 1, 2004, each facility
913 shall receive a rate that is three-quarters of one per cent greater than
914 the rate in effect June 30, 2004.

915 (h) (1) For the fiscal year ending June 30, 1993, any residential care
916 home with an operating cost component of its rate in excess of one
917 hundred thirty per cent of the median of operating cost components of
918 rates in effect January 1, 1992, shall not receive an operating cost
919 component increase. For the fiscal year ending June 30, 1993, any
920 residential care home with an operating cost component of its rate that
921 is less than one hundred thirty per cent of the median of operating cost
922 components of rates in effect January 1, 1992, shall have an allowance
923 for real wage growth equal to sixty-five per cent of the increase
924 determined in accordance with subsection (q) of section 17-311-52 of
925 the regulations of Connecticut state agencies, provided such operating
926 cost component shall not exceed one hundred thirty per cent of the
927 median of operating cost components in effect January 1, 1992.
928 Beginning with the fiscal year ending June 30, 1993, for the purpose of
929 determining allowable fair rent, a residential care home with allowable
930 fair rent less than the twenty-fifth percentile of the state-wide
931 allowable fair rent shall be reimbursed as having allowable fair rent
932 equal to the twenty-fifth percentile of the state-wide allowable fair
933 rent. Beginning with the fiscal year ending June 30, 1997, a residential
934 care home with allowable fair rent less than three dollars and ten cents
935 per day shall be reimbursed as having allowable fair rent equal to
936 three dollars and ten cents per day. Property additions placed in
937 service during the cost year ending September 30, 1996, or any
938 succeeding cost year shall receive a fair rent allowance for such
939 additions as an addition to three dollars and ten cents per day if the
940 fair rent for the facility for property placed in service prior to
941 September 30, 1995, is less than or equal to three dollars and ten cents
942 per day. For the fiscal year ending June 30, 1996, and any succeeding

943 fiscal year, the allowance for real wage growth, as determined in
944 accordance with subsection (q) of section 17-311-52 of the regulations
945 of Connecticut state agencies, shall not be applied. For the fiscal year
946 ending June 30, 1996, and any succeeding fiscal year, the inflation
947 adjustment made in accordance with subsection (p) of section
948 17-311-52 of the regulations of Connecticut state agencies shall not be
949 applied to real property costs. Beginning with the fiscal year ending
950 June 30, 1997, minimum allowable patient days for rate computation
951 purposes for a residential care home with twenty-five beds or less shall
952 be eighty-five per cent of licensed capacity. Beginning with the fiscal
953 year ending June 30, 2002, for the purposes of determining the
954 allowable salary of an administrator of a residential care home with
955 sixty beds or less the department shall revise the allowable base salary
956 to thirty-seven thousand dollars to be annually inflated thereafter in
957 accordance with section 17-311-52 of the regulations of Connecticut
958 state agencies. The rates for the fiscal year ending June 30, 2002, shall
959 be based upon the increased allowable salary of an administrator,
960 regardless of whether such amount was expended in the 2000 cost
961 report period upon which the rates are based. Beginning with the fiscal
962 year ending June 30, 2000, the inflation adjustment for rates made in
963 accordance with subsection (p) of section 17-311-52 of the regulations
964 of Connecticut state agencies shall be increased by two per cent, and
965 beginning with the fiscal year ending June 30, 2002, the inflation
966 adjustment for rates made in accordance with subsection (c) of said
967 section shall be increased by one per cent. Beginning with the fiscal
968 year ending June 30, 1999, for the purpose of determining the
969 allowable salary of a related party, the department shall revise the
970 maximum salary to twenty-seven thousand eight hundred fifty-six
971 dollars to be annually inflated thereafter in accordance with section
972 17-311-52 of the regulations of Connecticut state agencies and
973 beginning with the fiscal year ending June 30, 2001, such allowable
974 salary shall be computed on an hourly basis and the maximum
975 number of hours allowed for a related party other than the proprietor
976 shall be increased from forty hours to forty-eight hours per work week.

977 (2) The commissioner shall, upon determining that a loan to be
978 issued to a residential care home by the Connecticut Housing Finance
979 Authority is reasonable in relation to the useful life and property cost
980 allowance pursuant to section 17-311-52 of the regulations of
981 Connecticut state agencies, allow actual debt service, comprised of
982 principal, interest and a repair and replacement reserve on the loan, in
983 lieu of allowed property costs whether actual debt service is higher or
984 lower than such allowed property costs.

985 (i) Notwithstanding the provisions of this section, the
986 Commissioner of Social Services shall establish a fee schedule for
987 payments to be made to chronic disease hospitals associated with
988 chronic and convalescent nursing homes to be effective on and after
989 July 1, 1995. The fee schedule may be adjusted annually beginning July
990 1, 1997, to reflect necessary increases in the cost of services.

991 Sec. 12. Subsections (h) and (i) of section 17b-349 of the general
992 statutes, as amended by section 86 of public act 03-3 of the June 30
993 special session, is repealed and the following is substituted in lieu
994 thereof (*Effective October 1, 2004*):

995 (h) For the fiscal year ending June 30, 2004, [and,] any grant awards
996 made to a community health center or its successor for the purpose of
997 supporting the community health center infrastructure services to the
998 uninsured or expansion initiative projects shall be in the same
999 proportion to its grant award made in the fiscal year ending June 30,
1000 2003, as the total appropriation for such grant awards for the fiscal
1001 year ending June 30, 2004, is to the total appropriation for such grant
1002 awards for the prior fiscal year, provided, if any portion of the amount
1003 is not required by a given community health center, the differential
1004 shall be distributed among all the other health centers according to
1005 their share of total funding.

1006 (i) For the fiscal year ending June 30, 2005, [and,] any grant awards
1007 made to a community health center or its successor for the purpose of
1008 supporting the community health center infrastructure services to the

1009 uninsured or expansion initiative projects shall be in the same
1010 proportion to its grant award made in the fiscal year ending June 30,
1011 2004, as the total appropriation for such grant awards for the fiscal
1012 year ending June 30, 2005, is to the total appropriation for such grant
1013 awards for the prior fiscal year, provided, if any portion of the amount
1014 is not required by a given community health center, the differential
1015 shall be distributed among all the other health centers according to
1016 their share of total funding.

1017 Sec. 13. Subsection (d) of section 17b-495 of the general statutes, as
1018 amended by section 10 of public act 03-268, is repealed and the
1019 following is substituted in lieu thereof (*Effective October 1, 2004*):

1020 (d) The commissioner shall submit biannual reports, in accordance
1021 with section 11-4a, to the Governor and the chairpersons of the joint
1022 standing committees of the General Assembly having cognizance of
1023 matters relating to appropriations and the budgets of state agencies
1024 and public health. [The] Each report shall include a copy of the most
1025 recent report of the fiscal intermediary, if any, and (1) the number of
1026 consumers eligible for the program, (2) the number of consumers
1027 utilizing the program, (3) an outline of and a report on the educational
1028 outreach program, (4) the number of appeals, (5) an outline of
1029 problems encountered in the administration of the program and
1030 suggested solutions and any recommendations to enhance the
1031 program.

1032 Sec. 14. Subsection (b) of section 17b-749 of the general statutes, as
1033 amended by section 16 of public act 03-2, is repealed and the following
1034 is substituted in lieu thereof (*Effective October 1, 2004*):

1035 (b) The commissioner shall establish income standards for
1036 applicants and recipients at a level to include a family with gross
1037 income up to fifty per cent of the state-wide median income, except the
1038 commissioner (1) may increase the income level to up to seventy-five
1039 per cent of the state-wide median income, (2) upon the request of the
1040 Commissioner of Children and Families, may waive the income

1041 standards for adoptive families so that children adopted on or after
1042 October 1, 1999, from the Department of Children and Families are
1043 eligible for the child care subsidy program, and (3) on and after March
1044 1, 2003, [the commissioner] shall reduce the income eligibility level to
1045 up to fifty-five per cent of the state-wide median income for applicants
1046 and recipients who qualify based on their loss of eligibility for
1047 temporary family assistance. The commissioner may adopt regulations
1048 in accordance with chapter 54 to establish income criteria and
1049 durational requirements for such waiver of income standards.

1050 Sec. 15. Subsection (b) of section 19a-545 of the general statutes, as
1051 amended by section 77 of public act 03-3 of the June 30 special session,
1052 is repealed and the following is substituted in lieu thereof (*Effective*
1053 *October 1, 2004*):

1054 (b) Not later than ninety days after appointment as a receiver, such
1055 receiver shall: (1) Determine whether the facility can continue to
1056 operate and provide adequate care to residents in substantial
1057 compliance with applicable federal and state law within the facility's
1058 state payments as established by the Commissioner of Social Services
1059 pursuant to subsection (f) of section 17b-340, as amended, together
1060 with income from self-pay residents, Medicare payments and other
1061 current income and shall report such determination to the court; and
1062 (2) seek facility purchase proposals. If the receiver determines that the
1063 facility will be unable to continue to operate in compliance with said
1064 requirements, the receiver shall request an immediate order of the
1065 court to close the facility and make arrangements for the orderly
1066 transfer of residents pursuant to subsection (a) of this section [;] unless
1067 the receiver determines that a transfer of the facility to a qualified
1068 purchaser is expected within ninety days. If a transfer is not completed
1069 within one hundred eighty days of the appointment of the receiver, the
1070 receiver shall request an immediate order of the court to close the
1071 facility and make arrangements for the orderly transfer of residents
1072 pursuant to subsection (a) of this section.

1073 Sec. 16. Subsection (c) of section 52-362d of the general statutes, as
1074 amended by section 1 of public act 03-109, is repealed and the
1075 following is substituted in lieu thereof (*Effective October 1, 2004*):

1076 (c) When any person redeems a winning lottery ticket worth five
1077 thousand dollars or more [.] at the central office of the Connecticut
1078 Lottery Corporation, the Connecticut Lottery Corporation shall check
1079 the name and other identifying information of such person against a
1080 list of obligors supplied by the Commissioner of Social Services. If such
1081 person is included on the list of obligors, the Connecticut Lottery
1082 Corporation shall request confirmation from the Commissioner of
1083 Social Services that such person is in fact an obligor, and upon
1084 notification by the Commissioner of Social Services that money is due
1085 from any such person as a result of a claim for support which has been
1086 assigned to the state pursuant to section 17b-77, or is to be paid to the
1087 state acting by and through the IV-D agency, the Connecticut Lottery
1088 Corporation shall withhold from any lottery winnings payable to such
1089 person under the provisions of chapter 226 or chapter 229a the amount
1090 of such claim for support owed to an individual for any portion of
1091 support which has not been assigned to the state and then the amount
1092 of such claim for support owed to the state, provided the Connecticut
1093 Lottery Corporation shall notify such person that (1) lottery winnings
1094 have been withheld as a result of the amount due for such support,
1095 and (2) such person has the right to a hearing before a hearing officer
1096 designated by the Commissioner of Social Services if such person
1097 contests the amount of the alleged claim for support. The Connecticut
1098 Lottery Corporation shall pay any such [persons] person in accordance
1099 with any decisions of the hearing officer or the court upon appeal of
1100 the hearing officer's decision.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>
Sec. 3	<i>October 1, 2004</i>
Sec. 4	<i>October 1, 2004</i>

Sec. 5	<i>October 1, 2004</i>
Sec. 6	<i>October 1, 2004</i>
Sec. 7	<i>October 1, 2004</i>
Sec. 8	<i>October 1, 2004</i>
Sec. 9	<i>October 1, 2004</i>
Sec. 10	<i>October 1, 2004</i>
Sec. 11	<i>October 1, 2004</i>
Sec. 12	<i>October 1, 2004</i>
Sec. 13	<i>October 1, 2004</i>
Sec. 14	<i>October 1, 2004</i>
Sec. 15	<i>October 1, 2004</i>
Sec. 16	<i>October 1, 2004</i>

Statement of Purpose:

To make various technical changes concerning grammar, accuracy of internal references and consistency in the general statutes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]